BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 93-474-E - ORDER NO. 94-216

MARCH 14. 1994

IN RE: Request of Duke Power Company for) ORDER
Approval of Experimental Rate) GRANTING
Schedule HP-X (Hourly Pricing for) MODIFICATIONS
Incremental Load).

This matter comes before the Public Service Commission of South Carolina (the Commission) on the February 24, 1994 request of Duke Power Company (Duke or the Company) for modification of Schedule HP-X(SC), Hourly Pricing for Incremental Load. Duke has implemented this schedule as a pilot program and is currently serving customers under this rate as was approved by Order No. 93-701, dated August 5, 1993.

Presently, the HP-X(SC) rate is limited to customers that can be served from the transmission system. Duke believes that providing this rate to customers receiving service from both the transmission and distribution systems would contribute beneficially to the information obtained from the pilot.

Additionally, Duke proposes to incorporate into the hourly energy charge the cost of off-system purchases and hourly production costs, without applying the rationing charge. According to Duke, this would allow it to more accurately reflect costs. Therefore, Duke requests the approval of the following changes to Schedule

HP-X(SC):

- 1. Amend customer eligibility to include distribution delivery to enable customers served from the distribution system to participate in the pilot program; and
- 2. Apply the generation component of the rationing charge only to hours in which a combustion turbine is expected to operate.

Our Order No. 93-701 cited <u>S.C. Code Ann.,§58-27-870(F)</u> to show that the Commission may allow rates or tariffs to be put into effect without notice and hearing upon Order of the Commission when such rates or tariffs are for experimental purposes. The Order went on to find that the Schedule HP-X(SC) was experimental, and that the Commission therefore put the tariff into effect as filed without notice or hearing. Similarly, the Commission finds that <u>S.C. Code Ann.,§58-27-870(F)</u> applies to the case at bar, and that the Commission may approve such modifications to the experimental tariff as are appropriate without notice and hearing.

The Commission has examined the request of the Company as outlined above and believes that the request is reasonable and should be implemented as filed.

IT IS THEREFORE ORDERED THAT:

- 1. The modifications proposed by Duke Power Company to Schedule HP-X(SC) are hereby approved as filed, as of the date of this Order.
- 2. The Company shall file ten (10) copies of the tariff as approved within ten (10) days of its receipt of this Order.

3. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

Chairman 3 Hours

ATTEST:

Executive Director

(SEAL)